

aided the treasury and that " both acting in concert would certainly have been able at least to retard the event; and, as the treaty of peace was ratified within less than six months after the suspension took place, that catastrophe would have been altogether avoided."¹

The necessity for means of carrying on the war with Great Britain led to a great variety of odd proposals in Congress after the suspension of 1814. One of the crudest of these was a plan of ex-President Jefferson's, communicated to President Madison, to issue \$20,000,000 in government promissory notes annually as long as might be necessary and to appeal to the State legislatures to relinquish the right to establish banks. Dallas, who succeeded Campbell as Secretary of the Treasury on October 6, 1814, indicated indirectly his opinion of this scheme by recommending a new bank and remarking that " The extremity of that day cannot be anticipated when any honest and enlightened statesman will again venture upon the desperate expedient of a tender law."¹ The plan of Dallas, as set forth in his report of October 6th, was for a bank with a capital of \$50,000,000, empowered to lend \$30,000,000 to the Treasury. There was a provision in the bill reported, authorizing the suspension of specie payments at the discretion of the President of the United States, and it was fallen upon by Daniel Webster in a speech of great power and eloquence. He urged the creation of a bank for commercial purposes rather than one involved at the outset with the government. The result of his attack was the defeat of the bill by a tie vote, which was then reconsidered and the bill sent to a select committee. Amendments were adopted which met Mr. Webster's views, but in this form the measure did not meet the wants of the Treasury. It passed the House, 120 to 38, and the Senate, 20 to 14, but was vetoed by the President on January 30, 1815. Another effort was made to pass the Dallas bill, but it failed in the House on February 6th by a majority of one vote.

¹ Adams, VIII., 245-49.